

LGA Regions Hearing

Response from the Further Education Development Agency

1. Describe briefly the nature of your organisation and your interest in the regional agenda. What links do you have with regional bodies and/or local government?

The Further Education Development Agency (FEDA) is the leading development agency for post-16 education and training in England and Wales. FEDA's response to the hearing deals primarily therefore with the issues and implications of regional developments for education and training.

Since its earlier days FEDA has seen the importance of having a regional structure. Over the past year this regional presence has been strengthened and now FEDA has 9 full time regional managers in the English regions and a full time manager for Wales. Each of these postholders operate out of office locations within the region which they serve. FEDA's operation in Wales, called FEDA Cymru, is based in Cardiff.

FEDA regional managers and the manager for Wales have extensive regional contact, not only with the representative organisations for the further education sector (for example the Association of Colleges, the Fforwm of Welsh Colleges or the Association of Principals of Colleges), but also have played key roles in working with the new Regional Development Agencies to shape and promote the unique contribution that further education makes to the regional skills and economic agenda. FEDA's regional managers also continue to work closely with Government Officers. In Wales, FEDA Cymru works with the Welsh Development Agency (WDA) and keeps in close contact with members and officers of the National Assembly for Wales (NAW).

Similarly, FEDA regional managers work increasingly with representatives from local authorities not just local education authorities but often housing departments, economic development and tourism departments and social services departments – indeed anywhere where post-16 education and training has a potential role to contribute to the economic development/social exclusion agenda.

Over the past 3 years FEDA has also developed a national programme of research and development to support and to promote the role of further education in regional economic development. This suite of research, entitled *Furthering Local Economies* investigated the wide range of roles as provider, stakeholder, broker and strategic partner that FE played in local and regional economic development and the subsequent support programme investigated and developed the role of sector staff and management in developing that role further. For example, FEDA has been involved in the development of a competence based framework for FE staff who wish to develop their understanding of mainstream economic

development more broadly (this is shortly to be published under the title “Competitiveness and Competence”). FEDA has also developed an audit tool for assisting further education colleges (and indeed other partners) in assessing and mapping the roles that the institution plays in local and regional economic development.

Currently FEDA Cymru is working with Fforwm on a WDA research project looking into the part that FE colleges can play in enabling entrepreneurship in Wales and therefore contributing to economic development in this way. Recent research has also examined the use of objective 1 monies in Ireland and lessons for Wales and beyond on how this can contribute to economic development.

At a regional level FEDA is establishing links with the RDA's and in due course will do so with the LLSC's. In two pilot areas, FEDA regional managers are making closer links with the recently established regional chambers (where the Association of Colleges already has a level of representation) in order to be clear how FEDA's research and quality development agenda may be of assistance to those bodies in the future.

2. To what extent do present developments in regionalisation, in policy making at a regional level, or in the creation of new regional bodies, represent devolution or centralisation?

Our particular interest is in relation to the reforms of post-16 education and training, proposed in the Learning to Succeed White paper from the DfEE. It is unclear from the proposals at this stage, the extent to which the establishment of a national Learning and Skills Council and 47 local Learning and Skills Councils (LSCs) will lead to greater centralisation or devolution of power. It is clear that the local LSCs will have considerable power to influence local provision, but it is also clear that the direction of policy, for example through national targets will be driven nationally.

As yet the proposals do not make clear how the planning and purchasing of provision will be carried out. There are however strong indications that the model will be heavily centralised with purchasing of specific volumes of provision based on analysis of skills needs in a region. We have concerns about such a model. First, we believe that manpower planning approaches are not workable and that it is more effective to ensure that excellent information and guidance services exist in order to empower customers and encourage demand, and for resources to follow demand. This approach is more consistent with the creation of a lifelong learning culture and is more likely to be successful in combating social exclusion than a system that allocates learners to provision.

Second, we fear that such an approach will inhibit the capacity of individual providers of education and training to work creatively to meet local needs.

The lack of clarity about the proposed model of planning leaves providers uncertain at this stage as to the extent to which their engagement in economic development is likely to be orchestrated by the local LSCs. The most effective practice of colleges working within their local economy is to develop close working relationships and dialogue which maximises responsiveness.

On balance therefore our view is that the proposals take planning mechanisms and funding mechanisms to a more regional level, but this may result in greater central control over provision, rather than in more devolved decision-making. We believe that local providers closely engaged with their communities and free to respond to needs will bring the best results.

Learning to Succeed made little reference to the regional agenda but we note that the Learning and Skills Council Prospectus emphasises close working between LSCs and Regional Development Agencies (RDAs) in ensuring coherence in skills strategies. This should ensure that RDAs can influence the skills infrastructure on a regional basis.

The Post-16 Education Committee of the NAW has considered the Education and Training Action Plan in Wales setting out the agenda for post-16 education in Wales. The Committee's recommendations include a central funding body, the Council for Education and Training Wales (CETW), and four regional arms that will not have commissioning powers. These regional offices will inform and administer at a regional level. In addition Community Consortia for Education and Training (CCETs) will be partnerships of providers that will plan at local level. It is intended that there will be business involvement at all levels.

Since Wales is a comparatively small country, we see the provision of a central funding body that will control the funding across Wales, informed at both a regional and local consortia level, as a system that will meet the particular needs of Wales. It will be important that business interests are met but also that the education and training needs of individuals are also met in providing a service to meet the lifelong learning agenda. Since the planning is likely to be taken from a local level through CCETs we see that there is a mechanism for truly meeting local needs. It is not clear as yet how the regional administration will take place and we have some concern that there may be inhibitors to local needs arising from regional administration or perhaps conflicting priorities.

3. To what extent are the developments outlined in question 2 being taken forward in a way which is accountable to people in the region? How are local authorities strengthened and/or weakened by these developments?

FEDA considers that the relationship between the new LSCs and elected local authorities is very unclear. Although the Learning and Skills Prospectus suggests that local authorities will have 'a greater strategic influence over post-16 learning in their areas than is currently the case', this is not clear from the proposals. The

budget controlled by the LSCs will make them extremely powerful and it is unclear how differences will be resolved between local authorities and LSCs.

Care will be needed to avoid the LSCs developing as a locus of power and planning which undermines the role of locally elected authorities.

4. In what areas of policy is there a case for using the region as a unit of policy making, administration or government? In what areas of activity could it make a welcome contribution? Are there areas for which an alternative approach is more appropriate?

We believe that a regional perspective on skills development and infrastructure is essential. High cost provision and centres of excellence for specific types of technical and vocational provision can be planned more effectively on a regional basis. Not all post-16 learning can be local, therefore the relationship between local LSCs and RDAs is essential. We also believe that with the extension of the lifelong learning sector staff development policy and research needs are particularly identifiable on a regional basis – this being the optimum overview level.

FEDA believes that a “mixed economy” between the local, regional and national is the most effective infrastructure for skills development and support and delivery.

5. From you or your organisation’s perspective, what should define a “region” in England? Does the same definition apply for all policy areas and in all areas of the country?

In a recent FEDA publication, *FE: Aspects of Economic Development*, Professor Kevin Morgan writes:

Some have argued that the regions in England are not ‘natural regions’. This argument is, however, redundant in that the natural region does not exist anywhere in Europe; most regions are ‘artificial creations’. Once regional institutions and budgets are introduced, regional action, focus and identity will follow.

FEDA, along with Professor Morgan, believes that essentially the debate about ‘natural’ versus ‘unnatural’ regions is a false dichotomy – irrespective of their pedigree regions of approximately 5 million people have sufficient ‘economic clout’ to compete in a global marketplace and yet are comparatively small enough to be flexible and responsive.

6. What, if any, aspects of the potential regional agenda in England have been ignored to date?

FEDA has found the reports produced to date by the Policy Action Teams on Neighbourhood Renewal, led by the Social Exclusion Unit, to be very compelling in their identification of the need for very local solutions to effectively tackle structural disadvantage. These reports point towards the need for significant capacity at the local level for design and implementation of solutions with a strong focus on influence and engagement of local people. We believe that the implications of this for local, regional and national planning need to be considered more fully.

7. Do you think the development of regional government in some or all of the English regions would be good or bad for democratically elected local government? If you are in favour of regional government, what form do you think it should take?

FEDA acknowledges that there will be increasing demand from citizens for government spending and accountability to be local. At the same time we recognise that national government must continue to set the strategic vision for the nation and needs powers to steer policy. For these reasons we believe that arrangements for local and regional levels of accountability will need to evolve significantly from the currently centralised system.

Irrespective of the specific arrangements, it is essential that local, regional and national structures support dynamic, innovative and customer-focussed front-line services. Over complex or unnecessary layers of decision-making must be avoided.